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| EXAMINER | |
|---|---|
| SAGER, MARK ALAN | |

| ART UNIT | PAPER NUMBER |
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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

| Office Action Summary | Application No. | Applicant(s) | |
|---|---|---|---|
| | 10/705,699 | DEVAULL ET AL. | |
| | Examiner | Art Unit | |
| | M. Sager | 3714 | |

*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --*

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1)☒ Responsive to communication(s) filed on *26 November 2008 and 28 October 2008*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4)☒ Claim(s) *1,3,4,7-9,11,12,15 and 16* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1,3,4,7-9,11,12,15 and 16* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

**Application Papers**

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 10/28/08 has been entered with filing of RCE.

***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1, 3-4, and 7-8 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The determination whether claimed invention is statutory is a threshold determination based upon law. On October 26, 2005, the USPTO published Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility. See:

http://www.uspto.gov/web/offices/pac/dapp/opla/preognotice/guidelines101_20051026.pdf

This guideline details a procedure for determining patent eligible subject matter. As to cited claims, the first step in this process is whether the claimed invention falls within one of enumerated categories. In this application, the claims 1, 3-4 and 7-8 are drawn to a process – via claiming a "method" and thus meet this step for being one of the categories. However, a 'process' has been given specialized, limited meaning by the courts. Based on Supreme Court precedent, the process must either (1) be tied to another statutory class or (2) transform the underlying subject matter to a different state or thing. Gottschalk v. Benson, 409 U.S. 63, 71

(1972). Regarding process determination, the claimed process of claims 1, 3-4 and 7-8 of this application is not tied to another statutory class. The language 'of conducting a wagering game' is a nominal reference in this case that does not claim/require specific structure or is an intended/environment of use. The next step is whether the process transforms the underlying subject matter to a different state or thing. In the immediate application, the "method" having the steps of "receiving a wager… accumulating bonus points,… and allowing a player to redeem a number of the bonus points…" does not transform the underlying subject matter to a different state or thing since the steps include the abstract idea of what may be performed and also do not require a transformation to a different state or thing. The steps do not include another statutory class and do not transform the underlying subject matter to a different state or thing for reasons stated above in that the claims include the abstract of what steps may be performed and the steps do not transform the underlying subject matter to another state or thing. In essence, the claimed invention includes either written/coded instruction [not on computer readable media but may be on paper] or an abstract idea [the thought of performing] of acts that could be performed but not embodied in a form that requires an act to be performed by structure. The steps of receiving a wager, accumulating bonus points and allowing a player to redeem a number of bonus points do not transform the underlying subject matter to a different state or thing. The step 'allowing a player to redeem' is a nominal action to exchange/redeem stored points for a player selected option that fails to transform the underlying subject matter of process to a different state or thing since the step does not impose meaningful limits on the process and thus is an insignificant extra-solution activity. MPEP 2106. Also, see Memorandums dated May 15, 2008, entitled 'Clarification of Process under 35 USC 101' and Jan. 7, 2009 by J. Love, entitled 'Guidance for

Examining Process Claims in View of In re Bilski' at

http://ptoweb/patents/3700/documents/101_process_%202008.pdf and

http://www.uspto.gov/web/offices/pac/dapp/opla/documents/bilski_guidance_memo.pdf.

In view of the above analysis, applicant's invention of claims 1, 3-4, and 6-8 is a process. Upon review of the claims as a whole, there is no transformation nor is the process tied to another statutory category. Accordingly, the claims are non-statutory under 35 U.S.C. 101. *In re Bilski* 545 F.3d 943, 88 USPQ2d 1385 (Fed Cir. 2008). Claims 9, 11-12 and 15-16 are statutory.

***Double Patenting***

4. Claims 1, 3-4, 7-9, 11-12 and 15-16 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 31-50 of copending Application No. 10854041. Although the conflicting claims are not identical, they are not patentably distinct from each other because DeVaull '041 claims a method for a wagering game including receiving a wager, providing an accumulation feature and in response to a demand by a player permitting the player to redeem, but lacks claiming randomly selecting an outcome from a plurality of possible outcomes for each of said plays that correspond to presently claimed receiving a wager, accumulating bonus points and allowing player to redeem a number of bonus points.

This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented.

***Claim Rejections - 35 USC § 103***

5. Claims 1, 3-4, 7-9, 11-12 and 15-16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Baerlocher (6726563) in view of Kelly ('918). This holding is maintained

from prior action as reiterated herein for cited claims as amended. Response to arguments is provided below and incorporated herein. Baerlocher discloses a method and gaming machine (figs 1-8) teaching claimed steps/features including a value input device for receiving a wager (3:59-4:7), a processor for accumulating bonus points based on randomly selected outcome in the wagering game and allowing the player to redeem a number of bonus points for an award at a time selected by the player such as during any game play cycle (2:10-3:10, 4:48-5:35, 5:60-11:36, fig 108, ref 40) wherein the player may redeem for one of a plurality of player selectable options (2:20-3:10, fig 1-8), wherein the plurality of possible options include a game feature including a plurality of bonus game features worth different numbers of bonus points and wherein the game features are interactive as a plurality of player-selectable elements (2:20-3:10, figs 1-8, esp. fig 3-8, ref 34, 62, 64, 66, 68, 70, 72, 108, 110, 112, 114, 116, 118, 120, 122, 124, 126). Where Baerlocher '563 redeems accumulated points for a game feature that randomly determines a bonus amount (various award values shown in figs. 3, 5-8) as a bonus, Baerlocher discloses claimed steps/features including a plurality of player selectable elements that provide a random credit amount as a bonus but, as best understood, appears to lack an immediately specified credit amount. However, Kelly (3:13-16, 22-23, 7:33-39, 8:25-28, 54-60, 21:59-61, 27:47-50) discloses a gaming machine and method teaching accumulating points that may be redeemed at player option for a free game/spin as an equivalent specified credit amount. Kelly accumulate points based on outcome of game play such as in game of chance, and Kelly teaches redeeming accumulated points to a number of free game/spin that has an equivalent fixed cash or credit value to specified credit amount such that a player elects to redeem accumulated points by converting to credit amount of a number of free games/spins during any play. Applicant has not

refuted that a number of free spin(s)/game(s) is a cash equivalent to a specified credit amount. All of the component parts are known in Baerlocher and Kelly. The only difference is the combination of 'old elements' into a single device by allowing a player to select among a plurality of options for an award that include a specified credit amount or a bonus game feature; however, as shown, Baerlocher allows a player to select among a plurality options of multiple features for bonus game feature; while, Kelly allows a player to select a fixed credit amount as a number of free game(s)/spin(s) based on accumulated points. The redeeming of bonus points for either function of an immediately specified credit value as taught by Kelly and a bonus game feature for determining a random award greater than, equal to or less than the immediately specified credit amount as taught by Baerlocher each function would operate in same manner if combined in a single gaming machine since one function is neither reliant upon the other and neither interferes or precludes the others operation. Thus, in consideration of Supreme Court decision in KSR, it would have been obvious to an artisan at a time prior to the invention to apply the process of immediately specified credit amount as known or as taught by Kelly to improve the gaming machine and method of Baerlocher to achieve predictable results of allowing player option to selectively redeem accumulated points for a fixed value of a number of free game(s) or a game that randomly determines bonus value. It is noted that the pricing of awarding points converted is also taught by combination and Applicant has not refuted that a number of free game(s)/spin(s) is equivalent to a specified credit amount, by happenstance. In essence, the option claimed is between a fixed credit value of a number of free games and a random/unknown credit value as covered by the breadth of claim language bonus points includes and does not preclude accumulated points redeemed as taught/suggested by Baerlocher as

combined with Kelly. *Anderson's Black Rock Inc. v. Pavement Salvage Co.* Alternatively, Baerlocher discloses a known prior art wagering chance game device for accumulating bonus points that permit player to redeem the accumulated bonus points at any time by playing a selectable game to obtain a bonus amount (sic). Kelly discloses known prior art wagering or chance game device permitting player to redeem bonus point for a fixed value (supra). Thus, in further consideration of aforementioned KSR decision, it would have been obvious to an artisan at a time prior to the invention to apply the process of immediately specified credit amount as suggested by Kelly to improve the method and gaming machine of Baerlocher for the predictable result of player selection of a number of free games as an alternative option of a random prize bonus game. The addition of converting points to a number of free games having an equivalent cash value to a specified credit amount by happenstance as taught by Kelly to Baerlocher's game of allowing player to select a random game that determines random bonus award permits player choice of award for number of points redeemed provides player selectable redemption options that will entice players to continue to play as implicit in teachings from each reference for their redemption of points. The combination permits player choice between redeeming accumulated points for one of a plurality of games that randomly determines a bonus and redeeming points for a number of free games that is equivalent to a specified credit amount. *In re Nillsen*. Finally, regarding the feature of 'greater than, equal to or less than', it is noted that any random award value in comparison to another specified credit value will achieve such relative association, by happenstance.

***Response to Arguments***

6. Applicant's arguments filed 11/26/08 have been fully considered but they are not persuasive. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.,* 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986). In this case, Applicant argues that what each reference of prior art lacks individually on page 5 but does not address what the combination when taken as a whole at a time prior to the invention suggests to an artisan as required by law that is as shown in holding above incorporated herein. Of note, Applicant acknowledges on page 5 that Baerlocher gives the player the option to select one of three games based on number of keys [accumulated points] earned for obtaining a random bonus and that Kelly provides the player the option to redeem bonus points for free games. The Office maintains, with due consideration of KSR decision, that it would have been obvious to an artisan at a time prior to the invention to apply the process of immediately specified credit amount as taught/suggested by Kelly to improve the process and gaming machine of Baerlocher for the predictable result of player selection of award as stated above incorporated herein. Further, as stated above, a number of free games/spins is by happenstance equivalent to a specified credit amount for having equivalent cash value.

The Office disagrees with Applicants statement that the player does not have a choice of type of prize and notes that the Applicant's remark does not address what the combination suggests to an artisan when taken as a whole at a time prior to the invention as required and as considered by Office herein as stated in evidence above incorporated herein. Since, when the

combination of prior art is a taken as a whole at a time prior to the invention, the combination suggests to an artisan, a method and gaming machine that accumulates points based on random selected outcome in wagering game and allows player to select at any time to redeem points for a bonus game feature that randomly determines a bonus being greater, equal or less than an equivalent cash value of a number of free game/spins, where the number of free games is equivalent to a specified cash amount, by happenstance.

Regarding Applicants assertion that combination lacks selection of award type, In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., offering a player a selection of an award type) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). There is no definitive step claimed requiring player to select award type; however, the Office disagrees with Applicants that prior art lacks player selection of an award type, since the combination permits player selection as shown in evidence in above incorporated herein. Also, the instant application discloses award type being different cash value (paragraph 29, 31-33 of pg pub 20040110555) as well as being game feature and cash (paragraph 27 of cited pg pub). Thus, scope of award type is encompassed by combination of Baerlocher (award feature of a game based on number of keys redeemed that randomly determines bonus) and Kelly (award a number of free game/spin based on number of points redeemed as cash equivalent to specified credit amount). Finally, as stated above, Applicant has not refuted that a number of free spin(s)/game(s) is a cash equivalent value to a specified credit amount.

7. Applicant's arguments with respect to claims 1, 3-4, 7-9, 11-12 and 15-16 have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

8. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to M. Sager whose telephone number is 571-272-4454. The examiner can normally be reached on T-F, 0700-1730 hours.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Peter Vo can be reached on 571-272-4690. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/M. Sager/
Primary Examiner, Art Unit 3714